

Maryland Registered Apprenticeship Tax Credit

BENEFITS

The Maryland Apprenticeship Tax Credit provides a State income tax credit to Registered Apprenticeship Sponsors or participating employers (Employer) which hire an eligible Registered Apprentice(s). The Employer may qualify for a \$1,000 tax credit for each eligible Registered Apprentice.

ELIGIBILITY

To be eligible to apply for this tax credit program, the following two conditions must be in place:

- The Employer must be a Registered Apprenticeship Sponsor and/or participating employer in a Registered Apprenticeship Program. Registered Apprenticeship means the Apprenticeship and Apprentice(s) are registered with the State of Maryland and have been approved by the Maryland Apprenticeship and Training Council. For more information about the Maryland Apprenticeship and Training Program, please visit the [website](http://www.dllr.maryland.gov/employment/appr/) (<http://www.dllr.maryland.gov/employment/appr/>); and
- The Registered Apprentice(s) hired by the Employer must be registered with the Maryland Apprenticeship and Training Program and have worked for at least seven (7) full months of the taxable year for the employer, i.e. starting no earlier than January 1, and no later than May 31.

LIMITATIONS

- A credit may only be taken against the State income tax for the first year of employment for an eligible Registered Apprentice.
- There is no limit on the number of Registered Apprentices that can be claimed for each taxable year provided all eligibility criteria have been met.
- If tax credits exceed the amount of income tax liability, unused credits may be carried forward for succeeding taxable years until fully used.
- The total amount of tax credits available to be approved by the Maryland Department of Labor, Licensing and Regulation (DLLR) is limited to \$500,000 for any give taxable year. Tax credits will be certified on a first come, first-serve basis, based on the availability of credits.